



# Governor's Office of Economic Development

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State of Utah

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## COVID-19 Commercial Rental Assistance Program Legislative Report

As part of S.B. 3006, the COVID-19 Commercial Rental Assistance Program includes \$40 million in commercial property rental assistance. GOED is currently administering the grants providing rental relief to Utah small businesses — including nonprofits, sole proprietors, independent contractors and those that are self-employed — that have lost revenue as a result of measures taken to minimize the public's exposure to COVID-19.

### Statute eligibility requirements:

- Have a current lease on commercial property in the state of Utah
- Claim Utah as their principal place of business
- Be in operation with fewer than 100 employees on Feb. 15, 2020
- Demonstrate at least a 50% loss of gross monthly revenue after March 1, 2020, as a direct result of the COVID-19 pandemic
- 25% eligibility if received PPP
- 100% if lost is over 71% and 50% if loss is between 50 and 70% (cut in half if received PPP)
- Not received funds from the COVID-19 Agricultural Operations Grant Program (funded with federal CARES Act monies)

### Statute required information and documentation

- Profit & Loss statement for the 4 week period of revenue loss
- Two most recent state or federal tax returns
- Profit & Loss statement for 2019 and the four months immediately preceding the day of application submission

### Program metrics (as of June 12, 2020)

- Applications started: 2,857
- Full applications submitted: 1,583
- Total amount requested: \$4,730,952
- Average check: \$3,000
- Most requested sectors: retail, food & beverage, healthcare

GOED coordinated with various stakeholders from rural counties, multicultural, and commercial real estate sectors. The following recommendations were consistent among the groups regarding the ComRent program.

Recommendations if the program maintains focus on commercial real estate:

- **Restructure the loss percentage to 30% and 45%**
- **Remove the PPP award adjustment**
- **Extend from single month's rent to two month's rent**
- **Increase maximum amount per entity from \$10,000 to \$15,000**
- **Increase maximum award for entities with multiple locations to \$30,000 with a maximum of \$5,000 per month per location**
- **Amend statute to allow GOED to determine documentation requirements (GOED has ideas to reduce documentation to streamline process)**
- **Amend statute to allow GOED to make retroactive adjustments for applicants that have already received and/or applied for ComRent funds**
- **Amend statute from 100 employees to 100 full-time employees (40 hours per week = FTE)**